



# ***CITY COUNCIL***

## ***Economic Development Committee***

**Monday, July 1, 2013  
Meeting Report**

**Committee Members Attending:** Dennis Sterner (Chair), Donna Reed, and Strat Marmarou

**Others attending:** L. Kelleher, F. Acosta, R. Corcoran, C. Snyder, C. Younger, L. Murin, E. Lloyd

The meeting was called to order at 6:46 pm.

### **Review Administrative Reports**

Mr. Sterner stated that the reports from CDBG and Planning were covered in the Standards of Living meeting.

### **Parking Authority**

Gary Wegman, Parking Authority Chair, introduced Executive Director Patrick Mulligan to the group. He stated that the parking plan will be rolled out in September.

Ms. Reed described the ongoing parking problems around the Children's Home, located at Centre Avenue and Spring Street. She stated that a few months ago she introduced the residential parking permit program as an option to handle this parking problem; however, she was told not to proceed.

Mr. Mulligan stated that he has been monitoring the parking in this area, day and evening. He agreed that the demand for on street parking is greater in the daytime. He stated that 70% of the onsite employee parking lot is unused during the evening hours; however, it is totally occupied during the business day.

Ms. Reed agreed that this neighborhood is negatively impacted by the Children's Home and the other businesses in this area.

Mr. Mulligan stated that several blocks in this area will not meet the qualifications under the residential permit parking, as some blocks do not meet the 50% residential criteria. He suggested finding a solution that favors the residents.

Mr. Mulligan stated that he and the Parking Authority are considering residential parking for multiple areas in a zoned approach. Residents would be provided with permits and visitors would be required to obtain Visitor Permits which would allow them to park in the neighborhood for two hour periods for a fee. He stated that he is open to attending community or district meetings.

Mr. Sterner and Mr. Acosta suggested that Councilors take their suggestions and issues directly to Mr. Mulligan.

Mr. Mulligan described his meetings with downtown merchants to learn about their parking issues.

Mr. Marmarou noted that the majority of parking problems in residential neighborhoods occurs in the evening hours when enforcement is non-existent. Mr. Mulligan stated that he will look into the hours of enforcement and make adjustments where possible.

Mr. Mulligan stated that he is currently exploring Mobile Now currently used in Bethlehem, which allows a driver to pay the parking meter using a cell phone or through a pre-paid card. He stated that there are other attributes with this program such as adding additional parking time remotely.

Mr. Acosta noted the need to have a balanced parking plan to accommodate businesses, customers and residents.

### **Presentation from Reading Redevelopment Authority**

Ms. Snyder stated that Mr. Mukerji, although he accepted the invitation to make a presentation, contacted her later and said that due to a schedule change he could not attend tonight's meeting.

Mr. Acosta noted the need for the Administration to make Ms. Kelleher aware of schedule changes that affect agendas. He noted that these are meetings of Council and there needs to be communication about agenda issues.

### **LVT (Land Value Tax) & Economic Development**

Mr. Lloyd stated that he will address both the LVT and Economic Development. He stated that the Mayor held an Economic Development meeting with the City's Authorities in May and the group is now completing a due diligence period. The group plans to reconvene and make recommendations in the fall.

Mr. Lloyd stated that he is preparing a map that combines economic development issues with the results of the MVA.

Mr. Lloyd distributed a talking point sheet that was provided to the Reading Berks Association of Realtors (RBAR). He stated that the LVT will benefit the local economy and inspire economic development. He stated that property owners with small buildings on large lots will be encouraged to develop the lots because they will pay less taxes on a built out lot because the milage on buildings will be less than it will on vacant land. He stated that owners of blighted properties will be charged more.

Mr. Lloyd stated that high taxes devalue properties and that the implementation of the LVT will provide the City with the ability to eliminate various taxes, which will increase property values.

Mr. Corcoran stated that certain property owners will not be able to build out their lots due to zoning regulations and the needs of their businesses. He used the Masano car dealership as an example. He stated that the nature of their business requires them to have parking areas to show automobiles that are for sale. Limiting the number of spaces would negatively impact their business. He inquired if there could be some provision applied to protect or grandfather some properties. Mr. Lloyd stated that it would not be possible to protect certain properties.

Mr. Lloyd stated that the LVT is good for business and the economy. He described the presentations he made with RBAR. He stated that he plans additional presentations with the business and residential communities. He stated that in Philadelphia the realtors association endorsed the LVT. He stated that he is working to obtain an endorsement from PFM. He stated that he plans to present multiple endorsements when the ordinance is presented to Council. He stated that 46% of property owners

will experience tax decreases, 28% of homeowners will experience a \$10 increase, and 5% will see a \$50 increase.

Mr. Acosta stated that the switch to the LVT could create a negative environment. He inquired how the Administration will handle that. He stated that this type of switch could push some property owners out of Reading if they are currently on the edge. He inquired how the Administration will reach out to those property owners who are on the verge of leaving Reading.

Mr. Lloyd stated that the implementation of the LVT could eliminate the need for taxes like the Business Privilege and the Real Estate Transfer Tax, which will increase property values.

Mr. Corcoran again noted that the LVT penalizes businesses who are required to have large parking areas. Mr. Lloyd countered that the LVT provides incentives for the highest and best use of properties. Mr. Corcoran inquired if government, through the LVT, should dictate what the highest and best use of a property is.

Mr. Acosta stated that when Council considers the LVT ordinance, they will need to see various groups publicly endorse the LVT.

Mr. Sterner noted that property owners will need to be educated on the tax implications for all properties for the first year and throughout the phase in period, so they understand the end result. He also agreed with the need for a wide range of public input before this ordinance can be passed.

### **Main Street Update**

Mr. Agudo stated that the Administration is getting good feedback about the application. He stated that the initial review of the application has been completed and designation is expected sometime before the end of 2013. He stated that in the interim, the committees are working and receiving training. He stated that the DCED toured the Main Street area last week. He stated that information about Main Street grants is located on page 5 of the consolidated report.

The meeting adjourned at approximately 8:10 pm.

*Respectfully submitted by Linda A. Kelleher CMC, City Clerk*